

Lyxor World Water (DR) UCITS ETF - Dist

Ticker: WATL LN

1. FUND INFORMATION

Description

Lyxor Asset Management Group ("Lyxor") was founded in 1998 and comprises two subsidiaries (1) (2) of Société Générale group. Lyxor benefits from the expertise of 600 professionals across the wealth management world, advising EUR 117.6 billion* in assets. Lyxor offers bespoke asset management services, capitalising on its know-how in ETFs and indexing, Alternative and Multi Management, and Absolute Performance and Solutions. As one of the most experienced players on the market, Lyxor ETF is Europe's number three provider of ETFs (number two in terms of liquidity (3)), with AuM of more than EUR 49.8 billion*. With 220 ETFs listed on 13 financial marketplaces, Lyxor ETF provides investors with varied investment solutions enabling them to diversify their allocation across the entire spectrum of asset classes (equities, bonds, money market instruments and commodities via forward financial instruments). Demonstrating its commitment to high-quality ETFs, in 2011, Lyxor ETF implemented an ETF quality charter with the aim of ensuring that each ETF it offers complies with the strictest requirements in terms of replication quality, risk monitoring, liquidity and transparency. www.lyxoretf.com

Investment objective

The Lyxor World Water (DR) UCITS ETF - Dist is a UCITS compliant exchange traded fund that aims to track the World Water Index CW Net Total Return. The index is calculated from a selection of stocks conducted by RobecoSAM, and tracks the world's 30 largest companies operating in the water infrastructure, utilities or treatment sectors, who derive at least 40% of their revenue from water related activities. The index composition is reviewed semi-annually. It is market cap weighted and stock weights are capped at 15%. Further index details may be found at www.sgindex.com

Risk Factors

It is important for potential investors to evaluate the risks described below and in the fund prospectus which can be found on www.lyxoretf.com
CAPITAL AT RISK: ETFs are tracking instruments: Their risk profile is similar to a direct investment in the Underlying Index. Investors' capital is fully at risk and investors may not get back the amount originally invested.

REPLICATION RISK: The fund objectives might not be reached due to unexpected events on the underlying markets which will impact the index calculation and the efficient fund replication.

UNDERLYING RISK: The Underlying Index of a Lyxor ETF may be complex and volatile. When investing in commodities, the Underlying Index is calculated with reference to commodity futures contracts exposing the investor to a liquidity risk linked to costs such as cost of carry and transportation. ETFs exposed to Emerging Markets carry a greater risk of potential loss than investment in Developed Markets as they are exposed to a wide range of unpredictable Emerging Market risks.

CURRENCY RISK: ETFs may be exposed to currency risk if the ETF is denominated in a currency different to that of the Underlying Index they are tracking. This means that exchange rate fluctuations could have a negative or positive effect on returns.

LIQUIDITY RISK: Liquidity is provided by registered market-makers on the respective stock exchange where the ETF is listed, including Societe Generale. On-exchange liquidity may be limited as a result of a suspension in the underlying market represented by the Underlying Index tracked by the ETF; a failure in the systems of one of the relevant stock exchanges, Societe Generale or other market-maker systems; or an abnormal trading situation or event.

| | |
|----------------------------------|-------------------|
| Ticker | WATL LN |
| Fund Type | SICAV |
| UCITS compliant | Yes |
| ISIN | FR0010527275 |
| UKFRS | Yes |
| Replication method | Direct (physical) |
| Sampling | No |
| Securities Lending | No |
| Share Class Currency | EUR |
| Inception Date | 09/10/2007 |
| Nav per share at inception (EUR) | 20.45 |
| Total Expense Ratio p.a** | 0.60% |
| Currency risk | Yes |
| NAV per Share (EUR) | 51.96 |
| Share AUM (M EUR) | 974.37 |
| Total Fund Assets (M EUR) | 974.38 |
| Umbrella (M EUR) | 17,355.53 |
| Minimum Investment (Share) | 1 |
| Income treatment | Distribution |
| Last Amount (EUR) | 0.56 |
| Date of distribution | December |

Trading Information

| Place | Opening Hours (GMT) | Currency | Ticker Bloomberg | RIC Reuters |
|-------------------------|---------------------|----------|--------------------|-------------|
| NYSE Euronext Paris* | 08:00 / 16:30 | EUR | WAT FP | LYWAT.PA |
| Borsa Italiana (Milano) | 08:00 / 16:30 | EUR | WAT IM | H2O.MI |
| Deutsche Boerse (Xetra) | 08:00 / 19:00 | EUR | LYXWAT GYLYXWAT.DE | |
| Bolsa de Madrid | 08:00 / 16:30 | EUR | WAT SM | WATRS.MC |
| SIX Swiss Exchange | 08:00 / 16:20 | EUR | LYWAT SW | LYWAT.S |
| LSE | 08:00 / 16:30 | GBP | WATL LN | WATLL |
| LSE | 08:00 / 16:30 | USD | WATU LN | WATU.L |
| SIX Swiss Exchange | 08:00 / 16:20 | CHF | LYWATCHF SW | LYWATCH.S |

* First Listing Place of this share class

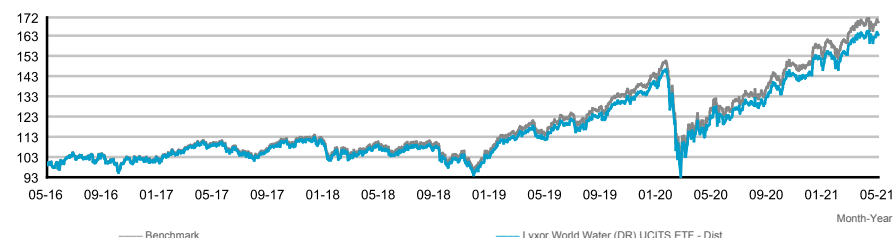
| | |
|------------------------|--|
| Full name | World Water Index CW Net Total Return |
| Exposure | Global |
| Asset Class | Equity |
| Index type | Net Total Return |
| Currency | EUR |
| Index Reuters RIC | .WOWAXC |
| Index Bloomberg ticker | WOWAXC |
| Further information | www.dowjonesindexes.com |

Source: Bloomberg, Lyxor AM, to 31st May 2021

2. Index information

Base 100 performance

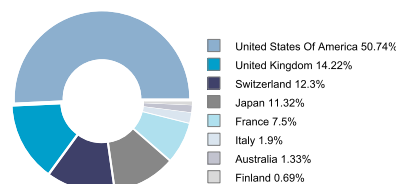
Source: Bloomberg, Lyxor AM, to 31st May 2021



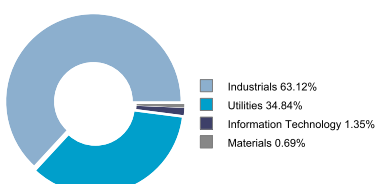
PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RETURNS

Source: Bloomberg, Lyxor AM, to May 31, 2021

Index Geographical Allocation



Index Sector Allocation



3. ETF Performances

| | 1 Month | 3 Months | 6 Months | 3 Years | 5 Years |
|---|---------|----------|----------|---------|---------|
| Lyxor World Water (DR) UCITS ETF - Dist | 1.04% | 11.18% | 14.51% | 53.14% | 63.51% |
| Benchmark | 1.03% | 11.30% | 14.85% | 56.81% | 69.75% |
| Tracking Difference | 0.00% | -0.11% | -0.33% | -3.67% | -6.24% |

| | YTD | 2020 | 2019 | 2018 | 2017 |
|---|--------|--------|--------|---------|--------|
| Lyxor World Water (DR) UCITS ETF - Dist | 12.75% | 8.13% | 38.32% | -12.79% | 10.30% |
| Benchmark | 13.02% | 9.00% | 39.46% | -12.04% | 11.02% |
| Tracking Difference | -0.26% | -0.87% | -1.14% | -0.74% | -0.72% |
| Tracking Error | - | 0.05% | 0.01% | 0.04% | 0.01% |

| | 31/05/2021 | 29/05/2020 | 31/05/2019 | 31/05/2018 | 31/05/2017 |
|---|------------|------------|------------|------------|------------|
| Lyxor World Water (DR) UCITS ETF - Dist | 33.59% | 9.63% | 4.61% | -1.77% | 8.70% |
| Benchmark | 34.49% | 10.56% | 5.46% | -1.07% | 9.42% |
| Tracking Difference | -0.90% | -0.93% | -0.85% | -0.70% | -0.72% |

Source: Bloomberg, Lyxor AM, to 31st May 2021

PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RETURNS

Top ten constituents

| | |
|-----------------------------|--------|
| Geberit Ag-Reg | 12.30% |
| American Water Works Co Inc | 8.85% |
| Xylem Inc | 7.90% |
| Veolia Environnement | 7.50% |
| Masco Corp | 6.66% |
| Pentair Plc | 5.06% |
| Smith (A.O.) Corp | 5.00% |
| Aqua America Inc | 4.73% |
| United Utilities Group Plc | 4.33% |
| Toto Ltd | 3.89% |

Performances related to distributing ETF are calculated reinvesting dividends into the ETF performance
 Performance gap represents the performance differences between the ETF and the Index
 The Tracking Error represents the annualised volatility of the performance differences between the ETF and the benchmark
 Changes of benchmark may occur. To compare the track of the ETF with its benchmark, we will use the below indexes:

| | From | To |
|---------------------------------------|------------|----|
| World Water Index CW Net Total Return | 10/10/2007 | |

Performance gap = Simulated perf - [(1+Index perf)/(1+Interest rate perf)-1]

| | Since inception |
|--------------|-----------------|
| Sharpe ratio | 0.51 |

| | 1Y | 3Y | 5Y |
|----------------------|--------|--------|--------|
| Fund volatility | 14.35% | 21.13% | 17.97% |
| Benchmark volatility | 14.34% | 21.10% | 17.95% |
| Sharpe ratio | 2.59 | 0.70 | 0.60 |

IMPORTANT INFORMATION FOR INVESTORS

Parties entering into transactions (such as a derivative or financing transaction) or investing in financial instruments that use an index or a variable interest rate (benchmark) are exposed to the risk that:

(1) such benchmark may be subject to methodological or other changes which could affect the value of the relevant transaction; or

(2) (i) may become not compliant with applicable laws and regulations (such as the European Benchmark Regulation), (ii) may cease to be published (possible cessation of LIBOR publication or planned cessation of EONIA both after December 2021), or (iii) the supervisor or administrator of any such benchmark may make a statement that the relevant benchmark is no longer representative, and as a consequence the relevant benchmark may be replaced by another benchmark which may have an adverse and material impact on the economics of the relevant transactions.

You should conduct your own independent investigation and analysis of the potential consequences of any relevant risks such as those mentioned above, particularly in light of the ongoing industry initiatives related to the development of alternative reference rates and the update of the relevant market standard documentation.

INVESTOR'S NOTICE

**The Total Expense Ratio (TER) covers all costs incurred by the Management Company to manage the underlying assets. It comprises a Management Fee and Structural Costs described as follows. The Management Fee represents the compensation for the Management Company services. The Structural Costs represent the custodian fee, the administrative fee, the audit fee and all other operating costs that will be paid by the Management Company to operate the funds.

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